

Policy Memorandum

Maintenance and Servicing

INTRODUCTION

The Safe Neighborhood Parks Proposition of 1992 and 1996 (the Propositions), which voters approved on November 3, 1992 and November 5, 1996, respectively, provide maintenance and servicing funds to eligible agencies to offset increased maintenance costs resulting from Proposition-funded projects. The funds are allocated to cities, which were incorporated prior to January 1, 1993, and to the County for the unincorporated area of the District, on the basis of their respective total number of parcels of land as of January 1, 1997, and to the Santa Monica Mountains Conservancy.

This memorandum establishes guidelines for the use of these funds and procedures for obtaining them. This memorandum includes the following sections:

- A. Requirements Prior to Requesting Funds
- B. How to Apply
- C. Eligible Expenditures
- D. Examples of Eligible Expenditures and Budgets
- E. Unanticipated/One-Time Only Maintenance
- F. Employment of Youth
- G. Unutilized Allocations
- H. Proposition Requirements
- I. Maintenance and Servicing Request Form

Funds pursuant to the 1992 Proposition will be collected and set aside in Fiscal Year 1994 through Fiscal Year 2015 and funds available through the 1996 Proposition will be collected and set aside in Fiscal Year 1998 through Fiscal Year 2019, the 22-year periods established for each assessment. Approval of the use of maintenance and servicing funds is separate from approval of Proposition-funded projects. The Los Angeles County Regional Park and Open Space District (the District) administers these funds, which are held by the District in an interest-bearing account for each agency.

This Policy Memorandum may be revised from time to time. All affected agencies will be notified of future revisions.

All inquiries, correspondence and payment claims should be addressed to:

(Name of Program Manager), Program Manager
Los Angeles County Regional Park and Open Space District
c/o Department of Parks and Recreation
510 South Vermont Avenue, Room 230
Los Angeles, CA 90020

A. REQUIREMENTS PRIOR TO REQUESTING FUNDS

In most cases, an agency will not apply for maintenance and servicing funds until the project that qualifies payment of these funds has been completed and the grant has been closed (see procedural guides for the various grant programs for information on how to close a grant). However, if the project consists of development in several phases, acquisition and development, or acquisition of land from several land owners, some maintenance and servicing funds may be claimed if eligible expenses are incurred prior to the entire project's completion.

Current totals of funds for each agency and funding anticipated in future years are available from an agency's Program Manager.

B. HOW TO APPLY

All requests for payments must be submitted on a *Maintenance and Servicing Request Form* (see **Section H** for sample.) An eligible agency may apply for maintenance and servicing funds upon approval of a Maintenance and Servicing Budget that has been submitted to show the increased costs of maintaining the facility acquired, developed, improved or refurbished with Proposition grant funds. The budget must contain sufficient details to facilitate review. Also, the budget must identify the reason for the increased cost; that is, the budget must provide a "before and after the project" picture of maintenance and servicing spending. A separate budget should be submitted for every facility. For example, if an agency completed more than one grant project, a budget should be submitted to reflect each project and the payment request will then be based upon the total of the separate budgets. The District will notify the agency, in writing, when the budget or budgets have been approved. A revised budget should be submitted for approval if the previous budget no longer reflects costs accurately. Payments from the Maintenance and Servicing Fund will be made based on a Maintenance and Servicing Request Form that is in conformance with an approved maintenance and servicing budget. Payment requests, except for extraordinary maintenance expenses, will not be processed without a District approved budget. There will be no need to attach proof of expenditures to receive payment for eligible expenditures that are consistent with the approved budget. See Section D for examples of Maintenance and Servicing Budgets and Section I. for the Maintenance and Servicing Request Form.

Unanticipated Expenses

Some extraordinary maintenance expenses occur infrequently or cannot be anticipated in advance in the Maintenance and Servicing Budget. Therefore, in addition to or in place of the annual budgeted expenses, an agency may claim eligible extraordinary expenses as they occur, providing that the agency has sufficient funds available for the entire request. An agency may not request funds in anticipation of extraordinary maintenance expenses that will be incurred in a future year (See Section E for examples). An agency may request funding for such expenses before incurring the expenses only after the District has approved the request and a cost estimate. Also, the expense must then be incurred as soon as the agency receives the funds. Once the final costs have been documented, the agency will submit documentation of the exact costs incurred.

When to Apply

Agencies may apply for Maintenance and Servicing funds at any time during the year.

Maximum Number of Requests

Each agency is limited to one payment request per month. Individual requests should not be less than \$1,000, unless the agency's claim is for the remaining balance of its available funds.

Payments

The agency should allow four to six weeks to receive payment after submitting a request.

Funds for Anticipated Expenditures

An agency may request payment based on an approved budget for costs that will be incurred during the current or the next fiscal year. The exact period of time covered by the payment should be clearly indicated on the payment request. At the end of the covered period, if any of the funds paid have not been expended as set out in the approved budget, the agency should inform the District. An adjustment will then be made to the next payment to credit the unused funds from the previous period to the new request. The District may request supporting documentation of the exact expenditures covering any such payment previously made. Agencies are therefore advised to retain cost documents to support exact expenditures for at least five years after the expenses have been incurred.

Accounting Requirements

Effective January 1, 2005, each Agency is required to maintain satisfactory financial accounts, documents, and records for the Project's maintenance and servicing and to make them available to the District for auditing at reasonable times. Agency also must retain such financial accounts, documents, and records for five years following Project's maintenance and servicing period for which expenses have been incurred.

C. ELIGIBLE EXPENDITURES

1. Eligible Expenditures

As required in the Propositions, maintenance and servicing monies may be used to offset increased maintenance and servicing costs resulting from a Proposition-funded project only.

"Maintenance" and "servicing" costs are as defined in the Landscaping and Lighting Act of 1972 (Section 22500 et seq. of the Streets and Highways Code) as follows:

Section 22531. Maintain or maintenance

"Maintain" or "maintenance" means the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including:

- Repair, removal, or replacement of all or any part of any improvement.

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- Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury.
- The removal of trimmings, rubbish, debris, and other solid waste.
- The cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.

Section 22538. Service or servicing

"Service" or "servicing" means the furnishing of:

- Electric current or energy, gas, or other illuminating agent for any public lighting facilities or for the lighting or operation of any other improvements.
- Water for the irrigation of any landscaping, the operation of any fountains, or the maintenance of any other improvements.

Eligible expenditures will vary greatly depending upon the type and scope of the project. For instance, rehabilitation of an existing recreation building may result in no ongoing increases in maintenance costs, but construction of a new building will result in new maintenance costs eligible to be paid with District funds.

Increased Maintenance and Servicing costs are reimbursable for an entire project even when the project was funded by other sources unless the District would not have funded the part of the capital project funded by other sources. For example, in a project to construct a new community center that includes a police substation, the substation would not have been eligible for Proposition grant funding and likewise, maintenance and servicing costs for the substation would not be eligible for reimbursement.

2. Ineligible Expenditures

The following is a non-exclusive list of expenditures that are **not** eligible expenses for the Maintenance and Servicing Fund:

- Maintenance and servicing of projects not funded from the Propositions.
- Direct charges for management, clerical, personnel and other administrative expenses incurred by the agency. However, these charges may be eligible for inclusion as part of agency overhead. See Section D for Agency Overhead.
- Travel and field inspection expenses of agency personnel.
- Penalties, interest, and similar costs levied against an agency by a contractor or a provider of product or service.
- Purchase of supplies for operations (as distinct from maintenance) at the facility such as office, programming or public information materials.
- Purchase of fixed assets or capital outlay equipment.

- Liability and injury claims filed against the agency, whether or not the cause of action stems from alleged improper maintenance and servicing of Proposition-funded projects.
- Police patrols or other security patrols.
- Rewards for information on vandalism of the facility.

D. EXAMPLES OF ELIGIBLE EXPENDITURES AND BUDGETS

This section provides examples of four projects that are eligible to receive maintenance and servicing monies after completion, and provides hypothetical annual maintenance and servicing budgets for those projects. The fifth example features a project that has no annual increase in maintenance and servicing and, although the example provides a budget for comparison, no maintenance and servicing funds could be claimed for regular annual expenditures.

The following examples and budgets are to be used only as a guide. It is expected that wage rates and other costs will vary among agencies and probably increase over time. Budgets should reflect actual costs. Anticipated price increases and funds for contingencies should not be included in the Maintenance and Servicing budget. When the approved budget becomes outdated, a new budget reflecting current costs should be submitted.

Reimbursable Staff Time

Maintenance and servicing funds may be used to offset increased staff costs resulting from a Proposition-funded project only if the staff costs are necessary for the usual operation and maintenance of the facility. The District will not reimburse the costs of operating programs at the facilities created or improved by a Proposition-funded project.

In *Example 3*, for instance, the District would reimburse the agency for the cost of life guarding services. If the operation of the swimming pool, for example, requires that four lifeguards be on duty, then the cost of four lifeguards is reimbursable for the hours that the pool is open to the public. However, the cashier-clerk is not necessary for the actual operation of the pool, but is present because the agency chooses to charge a fee. Therefore, the cost of the cashier-clerk is not reimbursable.

Similarly, in *Example 4*, the District will reimburse the cost of the staff member needed to open, schedule and oversee (i.e., operate) the new recreation building. Additional staff to run recreational programs, such as coaches, karate instructors, etc., are not reimbursable because it is the programs, not the recreation building, that such staff are operating.

Revenue

If a project results in increased revenue to the agency and the agency claims maintenance and servicing monies, then the agency can apply for maintenance and servicing funds only for the amount of increased annual operating costs that exceeds the increase in annual revenue.

Additional revenue to be generated, as the result of a Proposition-funded project, must be shown on the budget. This revenue may be used to offset non-reimbursable increases in maintenance,

servicing and operation costs (see Examples 3 and 4). However, any remaining net revenue must be deducted from the agency's claim for District maintenance and servicing funds.

Equipment

The purchase of equipment is not generally eligible for reimbursement with Maintenance and Servicing funds. The exception is replacement of equipment that is part of the facility that was developed or improved with District funds, such as a pump for a swimming pool. The costs of using maintenance equipment, however, are reimbursable on an ongoing basis (see Examples 1 and 4). An agency may budget a rental rate or a set hourly rate that reflects such factors as depreciation, maintenance and repair of the equipment, replacement parts and fuel.

Agency Overhead

An agency's direct overhead rates as applied to wages and to services and supplies may be included in budgeted expenditures. The agency's approved overhead rate should be shown as a percentage of the total expenditure such as supplies or a staff maintenance worker's hourly rate.

EXAMPLES

The examples below use dollar amounts and percentages that are not based on real costs or existing projects. Agency budgets will reflect the actual costs of the agency.

Example 1 - New Local Park

Project Description

Acquisition and development of two lots into a small park, including clearing and filling of the site, installation of an irrigation system, landscaping, restroom, and installation of playground equipment.

Maintenance and Servicing Description

Since this is a new facility, all maintenance and servicing related to the site will be new budget items. The Expense Item table on the next page summarizes the before-and-after picture of the maintenance and servicing costs of the project. Below are explanations of those items:

1. Janitorial Services - Approximately 350 man hours per year at a cost of \$16.57 per hour, including benefits and 12 percent direct overhead.
2. Gardening and Landscaping Services - Approximately 350 man hours per year at a cost of \$14.89 per hour, including benefits and 12 percent direct overhead.
3. Hourly rate for use of a mower for the new turf - Approximately 4 hours twice a week at \$5.00 per hour, which includes equipment maintenance, fuel and 8 percent direct overhead.
4. Electricity - To be provided by Southern California Edison at the industrial rate of \$0.12 per kWh (average rate, inclusive of other charges).
5. Waste Disposal - Under contract with Browning and Ferris Company. Amount shown is contract cost. Contract involves weekly, plus special holiday, trash pickups.

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6. Water - For use in the fountain and restroom areas, for facilities cleaning and landscape irrigation. Water supply to be provided by the Drouty District Water Company.

7. Supplies - Restroom supplies, replacement of small items like sprinkler parts, nuts and bolts of play equipment, etc., including 8 percent direct overhead.

8. Miscellaneous - Expenditures on small items that will not fit in any of the above categories. These are estimated at 7 percent of the total above expenses in this example.

Annual Recurring Maintenance and Servicing Budget, Before and After the Project

<i>Expense Item</i>	<i>Before</i>	<i>After</i>	<i>Increase</i>
1. Janitorial Services	\$0	\$6,500	\$6,500
2. Gardening/Landscaping Landscaping	\$0	\$5,840	\$5,840
3. Equipment Fee-Mower	\$0	\$2,250	\$2,250
4. Electricity	\$0	\$2,000	\$2,000
5. Waste Disposal	\$0	\$2,400	\$2,400
6. Water	\$0	\$1,000	\$1,000
7. Supplies	\$0	\$500	\$500
8. Miscellaneous Expenses	\$0	\$1,440	\$1,440
Total			\$21,930

Example 2- Renovation

Project Description

District-funded improvements include the upgrading and relocation of existing playground equipment and resurfacing for ADA compliance; replacement of existing gazebo; construction of a picnic shelter; and replacement of existing asphalt walkway with concrete walks and brick planters.

Maintenance and Servicing Description

Maintenance and servicing costs are expected to be slightly higher after the renovation due to an anticipated increase in traffic and usage of the facilities.

The expense items that are likely to increase are those items that are functions of usage; that is, the more people use the facility, the higher the costs of maintaining and servicing that facility. The expenditure level on other items is expected to remain constant, save for inflationary adjustments. The expense items expected to increase are the following:

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1. Electricity - Additional lighting fixtures will be installed. Also, cleaning the facilities involves the use of some electric-powered equipment. Estimated increase: 833 kWh at \$0.12 per kWh.

2. Painting, including graffiti removal - The facility is expected to draw more visitors than before, increasing costs of correcting vandalism and graffiti. Estimated increase: 15 man-hours per year at \$20.52 per hour, including benefits, plus 14 percent direct overhead and supplies of \$100 per year.

3. Gardening and Landscaping services - Estimated additional 50 man hours per year to maintain planters at a cost of \$14.89 per hour, including benefits, plus 14 percent direct overhead.

Annual Recurring Maintenance and Servicing Budget, Before and After the Project

<i>Expense Item</i>	<i>Before</i>	<i>After</i>	<i>Increase</i>
1. Removal of trimming, rubbish, debris, and other solid waste	\$3,000	\$3,000	\$0
2. Janitorial Services	\$3,000	\$3,000	\$0
3. Electricity	\$500	\$600	\$100
4. Painting, including graffiti removal	\$1,170	\$1,620	450
5. Water	\$300	\$300	\$0
6. Gardening and Landscaping Services	\$3,400	\$4,250	\$850
7. Miscellaneous Expenses	\$1,000	\$1,000	\$0
<i>Total</i>			\$1,400

3 - Community Park Expansion: Pool Addition

Project Description

Construction of a new 25-meter pool and bath houses at an existing community park.

Maintenance and Servicing Description

The new pool is expected to increase the park's maintenance and servicing costs. The agency charges for recreational swim and swim lessons. Revenue projections are based upon an average 280 persons per day, and 100 persons taking swim lessons (\$12.00 per person for a 12-week season). Admissions are expected to be 75 percent under age 17 at \$1.00 per person and 25 percent over age 17 at \$2.00 per person.

The table below shows the various expense items and the anticipated level of expenditures for the new pool.

1. Lifeguard wages - Two pool lifeguards. Average of \$10.31 per hour, including benefits and direct overhead. Based on an 84-hour week, 12-week season.

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2. Cashier wages - Two cashier clerks. Average of \$9.09 per hour, including benefits and direct overhead. Based on an 84-hour week, 12-week season. This expense is not reimbursable because it is not a maintenance and servicing item as defined in Section C. These expenses are incurred in connection with the collection of admission and swimming lesson fees, which are not required for the ordinary operation and maintenance of the pool. The same would apply to costs for staff who give swim lessons because they would be operating a program at the pool rather than operating the facility itself.

3. Janitorial Services - Average of \$16.57 per hour, including benefits and direct overhead. Based on an 84-hour week, 12-week season.

4. Pool Supplies - chlorine, acids, disinfectants - one year's supply.

5. Waste Disposal will be contracted out. The cost shown below is contract cost from the low-bid contractor.

6 & 7. Utilities (water, electricity, and gas) will be provided by local utility companies.

8 & 9. Repair and replacement of small items such as broken tiles, bathroom fixtures, lights, etc.

Example 3

Annual Recurring Maintenance and Servicing Budget, Before and After the Project

<i>Expense Item</i>	<i>Before</i>	<i>After</i>	<i>Increase</i>
A. REIMBURSABLE			
1. Lifeguard Wages	0	20,780	20,780
3. Janitorial Services	\$0	\$16,700	\$16,700
4. Pool Supplies (chlorine, disinfectants, etc.)	\$0	\$2,000	\$2,000
5. Waste Disposal	\$0	\$1,200	\$1,200
6. Electricity	\$0	\$2,400	\$2,400
7. Water	\$0	\$3,000	\$3,000
8. Repairs and Replacements (broken tiles, etc.)	\$0	\$2,000	\$2,000
9. Miscellaneous Expenses	\$0	\$1,000	\$1,000
Total Reimbursable Expenses	\$0	\$49,080	\$49,080
B. NON-REIMBURSABLE			
2. Cashier and Clerical Wages	\$0	\$18,330	\$18,330
C. TOTAL EXPENSES (A + B)	\$0	\$67,410	\$67,410
D. REVENUES	\$0	\$30,600	\$30,600
E. OPERATING LOSS (C - D).	\$0	\$36,810	\$36,810
NET REIMBURSABLE /CLAIMABLE EXPENSES (Lesser of A or E. If D is greater than C, enter 0)	\$0		\$36,810

Example 4 - Expansion

Project Description

General development of existing park property to include fencing; drainage and road improvements; slope repair; new indoor recreation facility; and construction of off-site drainage improvements, landscaping, and expansion of existing lake.

Maintenance and Servicing Description

The maintenance and servicing expenses are expected to increase slightly due to anticipated increase in traffic and usage. In addition, construction of a new recreation facility will require additional staff time and maintenance. Parts of this indoor recreational facility will be available to groups and individuals on a rental basis. Estimated revenue is based on the agency's experience with similar facilities.

1. Staff Time (Recreation Center) Park Supervisor - A staff member will be required to open and coordinate use of the new recreation center. The center will be open to the public from 9:00 am to 8:00 p.m., 363 days a year. Additional recreation staff is not a reimbursable expense because it is not necessary for the ordinary and usual operation and maintenance of facilities.
2. Janitorial Services (Two General Maintenance Workers) - Estimated additional 88 man-hours per year at a cost of \$16.57 per hour, including benefits and direct overhead.
3. Equipment Use - A floor buffer used 4 hours per week, weekly for buffing and 6 hours per month to strip and wax wooden floors. The buffer was purchased for approximately \$2,000. The useful life of the buffer is 5 years and its depreciation is figured into the hourly rate of \$1.52 based on 1,320 hours of use over 5 years. The amount is increased to \$2.25 to include equipment overhead that includes equipment maintenance and replacement of parts.
4. Gardening and Landscaping Services (Two Grounds Maintenance Workers) - Estimated additional 54 man hours per year at a cost of \$14.89 per hour, including benefits and direct overhead.
5. Electricity - To be provided by Southern California Edison at the industrial rate of \$0.12 per kWh (average rate, inclusive of other charges).
6. Waste Disposal - This service is contracted out. An extra day of pickup per month has been requested. This extra pickup costs \$100 per year.
7. Water - There will be less water needed for landscaping but more water needed to refill the existing lake. The net increase is \$300.

Example 4

Annual Recurring Maintenance and Servicing Budget, Before and After the Project

Example 5 - Renovation of Existing Pool

(No annual maintenance and servicing claim can be made)

Project Description

An existing community pool is renovated at a cost of \$200,000.

Maintenance and Servicing Description

The renovation of the pool is expected to attract a slightly larger number of patrons. Nevertheless, maintenance and servicing expenses are anticipated to remain at past levels, except for some items that are expected to decrease like water, electricity and repairs and replacements.

1. Electricity - Old wires have been replaced with a new wiring system that reduces electric consumption slightly. Energy-saving bulbs and halogen lamps have also been installed.
2. Water - Older pipes that leak water have been replaced. Also, water-efficiency toilets and water-saving showers have been installed. Water consumption is expected to go down.
3. Repairs and Maintenance- anticipated to decrease. The renovation has taken care of frequent repairs and replacements call outs.

Annual Recurring Maintenance and Servicing Budget, Before and After the Project

Expense Item	Before	After	Increase/ (Decrease)
1. Lifeguard Wages	\$20,780	\$20,780	\$0
2. Janitorial Services	\$16,700	\$16,700	\$0
3. Pool Supplies (chlorine, disinfectants, etc.)	\$2,000	\$2,300	\$300
4. Waste Disposal	\$1,200	\$1,200	\$0
5. Electricity	\$2,500	\$2,400	(\$100)
6. Water	\$3,200	\$3,000	(\$200)
7. Repairs and Replacements (broken tiles, bath- room, electrical, plumbing fixtures, etc.	\$4,000	\$2,000	(\$2,000)
Total			(\$2,000)

E. UNANTICIPATED/ONE-TIME ONLY MAINTENANCE

Some major maintenance expenses occur infrequently or cannot be anticipated in advance. Therefore, in addition to the annual budgeted expenses, an agency may claim extraordinary expenses as they occur but not in advance of the actual expenditure. For example, an agency may not request \$25,000 per year for four years in anticipation of the cost of replacing a project component expected to cost \$100,000.

The following is a partial list of occurrences that may cause extraordinary maintenance expenses based upon the examples provided previously:

Category	Example #1 New Local Park	Example #2 Renovation	Example #3 Pool Addition	Example #4 Expansion	Example #5 Renovation of Existing Pool
Natural Calamities, Disasters, and Acts of God	Strong winds blew down fencing around playground equipment	Termite infestation of several beams of the picnic shelter	Pool filter and fill lines damaged by earthquake	Facility is hit by lightning, causing damages that need repair	A tree fell and damaged the bath house
Man-made Destruction (Vandalism, Theft, Negligence, Accidents)	Vandals destroyed playground equipment	One of the brick planters is hit by a car and must be rebuilt	Maintenance worker accidentally drops ladder, breaking a pool pump connection	Vandals broke glass windows	Vandals destroyed shower heads and restroom fixtures
Gradual Physical or Functional Deterioration, Obsolescence	Old playground equipment needs to be replaced for safety reasons	Replacement of decaying gazebo, replacement of recreation building roof	15-year old drainpipes need replacement, heater breaks, pool cover needs to be replaced	Gym floor needs resurfacing, air conditioner breaks down, building needs repainting	A more efficient automatic chlorinator became available that will pay for itself

F. EMPLOYMENT OF YOUTH

Emphasis is placed in both Propositions on the employment of youth in park improvement projects. A Youth Employment Goal (YEG) has been calculated for all agencies. Agencies may meet this goal by employing youth on grant funded projects, in the maintenance of facilities acquired, improved or rehabilitated with Proposition funds or in projects or programs funded by agency discretionary funds. Programs such as Summer Youth Employment (SYEP), for example, are not eligible because the agency is required to spend these funds on youth employment. For maintenance of eligible projects, an agency may employ youth directly or contract with youth providers for maintenance crews to perform periodic routine maintenance or extraordinary maintenance projects. In such cases, the costs of youth employment are eligible for reimbursement by the District and the expenditures also help the agency to meet its Youth Employment Goal.

An agency that does not meet its Youth Employment Goal is subject to a restriction of its Maintenance and Servicing funds to ensure that the agency fulfills its YEG. Further information

on the District's employment of youth requirements is provided in Appendix C, D, and E of the Specified and Per Parcel Grant Program Procedural Guide or from an agency's program manager.

G. UNUTILIZED ALLOCATIONS

Carry-over with Interest

The District shall accumulate unused allocated monies for future withdrawal by the eligible agency. Interest earned on unclaimed allocations and kept in the Maintenance and Servicing Funds will be added to an agency's balance on a monthly basis as they are accrued.

Transfer of Funds

An agency may, with consent of its governing body, transfer its right to all or a portion of its maintenance and servicing monies to another agency eligible to receive the funds under the Propositions. In such cases, the agency releasing the funds must present to the District a certified copy of a resolution, duly adopted by the governing body, relinquishing the agency's right to all or a portion of the funds for such time as the agency determines. The receiving agency may apply for and spend these funds only in accordance with the provisions of the District Maintenance and Servicing Policy.

An agency that wishes to assign its maintenance and servicing monies to an agency not specified in the Propositions (e.g., a nonprofit organization that has completed a project under a competitive grant program) should contact its Program Manager.

H - PROPOSITION REQUIREMENTS

Section 23 (b) and of the 1992 Proposition designated fifteen percent (15%) of the District's assessment to offset increased maintenance and servicing costs. Section 23 (b) of the 1996 Proposition revised the allocation of the maintenance and servicing funds as follows:

Section 23 (b) of the 1996 Proposition provides: "On an annual basis, fifteen percent (15%) of all proceeds of the Additional Assessment and the 1992 Assessments (or such greater percentage of the proceeds of the Additional Assessment and the 1992 Assessment, not to exceed twenty percent (20%), as determined by the Board) shall be set aside and designated as the maintenance and servicing amount, and shall be used only to maintain and service capital outlay projects funded by the District pursuant to the 1992 Order and this resolution. Such maintenance and servicing amount of the Additional Assessment and the 1992 Assessment shall be allocated each year as follows:

- (1) to the County (for the benefit of the Department of Parks and Recreation, or the Department of Beaches and Harbors, or any other applicable department as determined by the Board), an amount obtained by multiplying the aggregate amount of such maintenance and servicing funds to be allocated for such year by a fraction, the numerator of which is the number of parcels of land in the unincorporated area of the County and the denominator of which is the total number of parcels of land in the County;

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- (2) to the Santa Monica Mountains Conservancy, or any other agency designated by it to manage properties acquired pursuant to this resolution, (the 1996 Proposition) or the 1992 Order by the Conservancy or any joint powers entity to which the Conservancy is a party which has acquired properties pursuant to the 1992 Order or this resolution, a percent of the total maintenance and servicing funds that equals the percent of the total capital outlay funds that are allocated to and/or to be expended by the Santa Monica Mountains Conservancy and Mountains Recreation and Conservation Authority pursuant to Section 3 of this resolution; and
- (3) except as provided in the next paragraph, to each incorporated city within the District, an amount obtained by multiplying the maintenance and servicing funds remaining after the allocations described in the preceding clauses (1) and (2) by a fraction, the numerator of which is the number of parcels of land in such city and the denominator of which is the total number of parcels of land in the incorporated areas of the County.
- Of the maintenance and servicing funds allocated to the County in this resolution, (the 1996 Proposition) and the 1992 Order, the Department of Beaches and Harbors shall be allocated an amount obtained by dividing the total amount of funds allocated to the Department of Beaches and Harbors in this resolution and the 1992 Order by the total amount of funds allocated for specific identified projects and for per parcel grants to the Department of Parks and Recreation in the resolution and the 1992 Order.
- On an annual basis, one million seven hundred thousand dollars (\$1,700,000) shall be deducted from the maintenance and servicing funds allocated to the City of Los Angeles in this resolution, (the 1996 Proposition) and the 1992 Order, and such amount shall be used to pay debt service on bonds, notes or other evidences of indebtedness issued to fund the project described in Section 8 (b) 2.V.x. of the 1992 Order.
- In the event of an inconsistency between this Section (23. (b) of the 1996 Proposition) and Section 23 of the 1992 Order, this Section shall prevail.”

Section 23 (c) of the 1992 Proposition provides: “Funds for maintenance and servicing as described in this section shall be allocated annually to each city within the District and the County. Such allocations shall be made only to those entities which certify that: (i) such funds shall be used only to maintain and service projects funded by the District pursuant to this order, and (ii) such funds shall be used to supplement existing levels of service and not to fund existing levels of service.”

Pursuant to **Section 24 (a)** of the 1996 Proposition additional funding is made available each year by a calculation of excess revenues over expenditures from the prior year to be determined by an independent audit of a Financial Consultant. "...In each year, 80% of the available excess as identified in the Plan of Revenue and Expenditures approved by the Board shall be allocated by the Board pursuant to this section and in accordance with the following schedule (to the extent permitted by applicable law and not inconsistent with the other provisions of this resolution). 80% shall be allocated for capital projects and 20% shall be allocated for maintenance and servicing of those capital projects."

Additionally, **Section 21 (a)** of the 1996 Proposition provides that "... In any year, a recipient agency may utilize an amount not more than one percent (1%) of the funds which it is eligible to

receive under subsection (b) of Section 23 for reimbursement of accounting and bookkeeping costs as applicable overhead to pay for compliance with the District's accounting and reporting requirements." Normally, this will be included as part of the agency's overhead rate on its eligible maintenance and servicing costs.

As specified under Sections 23 (b) and (c) of the 1992 Proposition and Section 23(b) of the 1996 Proposition, Los Angeles County, the Santa Monica Mountains Conservancy and all cities, are entitled to a share of the benefit assessment revenues allocated for maintenance and servicing of Proposition-funded improvement projects.

ELIGIBLE AGENCIES

As provided under Section 9 (b) of the 1992 Proposition, the funds "shall be allocated to cities which were incorporated on or prior to January 1, 1993 and to the unincorporated area of the District on the basis of their respective total number of parcels of land (all as of January 1, 1993)."

Section 5 (a) of the 1996 Proposition revised the basis for allocations to the cities: the funds "shall be allocated to cities which were incorporated on or prior to June 30, 1996, and to the County (representing the unincorporated area of the District), on the basis of each city's and the unincorporated area's respective total number of parcels of land (all as of June 30, 1996). Such figures shall be determined by the Los Angeles County Assessor."

LOS ANGELES COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT MAINTENANCE AND SERVICING/YES PROGRAM PAYMENT FORM

REQUEST#

Agency Name:		
Mailing Address:		
City	State	ZIP
Contact Person:	Telephone	

Payee Name: (Leave blank if same as Agency Name)		
Mailing Address:		
City	State	ZIP
Contact Person:	Telephone	

Maintenance and Servicing Funds			
Grant No.	Expenses (mm/dd/yy) / / - / /	Extraordinary (Attach Detailed Accounting)	Amount
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
Total Request:			

I hereby certify that the requested maintenance and servicing funds will be used only to maintain and service projects funded pursuant to the Propositions; and that these funds have been expended or will be used to supplement existing levels of service and not to fund existing levels of service.

Signature of Agency Authorized Representative	Date
Print Name and Title	
Comments:	

YES Program		
Program Name	Program#	Amount
Total Request:		
Employment Period		<input type="checkbox"/> Advance Payment <input type="checkbox"/> Reimbursement
From	To	
/ /	/ /	

Signature of Agency Authorized Representative	Date
Print Name and Title	
Comments:	

LOS ANGELES COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT USE ONLY

Program Manager	Date
Grants Supervisor	Date

Administration Supervisor	Date
Finance Supervisor	Date
District Administrator	Date

LA COUNTY ACCOUNTING SECTION USE ONLY

GAX ID NUMBER	SCHEDULE PAYMENT DATE	BUDGET FY
VENDOR CODE		REVENUE ACCRUAL FY& AMOUNT
FUND NUMBER	LOCATION CODE	REVENUE ACCRUAL FY& AMOUNT
SUB-FUND	PROJECT CODE	PAYMENT REQUEST AMOUNT
UNIT CODE	DEPT OBJECT	P/F SPEC HANDLING

eCAPS Data Entry by:	Date
Level One Approver	Date
Level Two Approver	Date
Level Three Approver	Date
Level Four Approver	Date

COMMENTS:

PROCESSED PAYMENT INFORMATION:					
WARRANT#	WARRANT AMOUNT	WARRANT DATE	I.V.#	I.V. AMOUNT	I.V. DATE